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OFFICIAL STATEMENT

Monrovia Redevelopment Agency
Los Angeles County, California

\$1,110,000

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MAY 16 1977

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1977 Project Area No. 1
Tax Allocation Bonds

no copy

Bids to be received by the Secretary of the Agency at or before 4:00 P.M., Tuesday, May 24, 1977 in the office of the City Clerk of the City of Monrovia, City Hall, 415 South Ivy Avenue, Monrovia, California 91016.

MONROVIA REDEVELOPMENT AGENCY

Los Angeles County, California

Robert T. Bartlett, *Chairman*

Ron Decker

Eric Faith

Patricia Ostrye

Paul A. Stuart

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Henry Barbosa, *Attorney*

Hilda Herb, *Treasurer*

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PROFESSIONAL SERVICES

Orrick, Herrington, Rowley & Sutcliffe, *San Francisco*
Bond Counsel

Stone & Youngberg Municipal Financing Consultants, Inc.
Los Angeles and San Francisco

Security Pacific National Bank, *Los Angeles*
Fiscal Agent

Harris Trust and Savings Bank, *Chicago*
Manufacturers Hanover Trust Company, *New York*
Paying Agents

THE DATE OF THIS OFFICIAL STATEMENT IS MAY 3, 1977

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MONROVIA REDEVELOPMENT AGENCY

May 3, 1977

TO WHOM IT MAY CONCERN:

The purpose of this Official Statement is to supply information to prospective bidders on and buyers of the \$1,110,000 of Monrovia Redevelopment Project Area No. 1 1977 Tax Allocation Bonds (the "Bonds"), authorized and issued for the purpose of assisting in the financing of said Project, paying of expenses in connection with issuance, and providing reserve funds as additional security for the Bonds.

The material contained in this Official Statement was prepared by Stone & Youngberg Municipal Financing Consultants, Inc., in the capacity of financing consultant to the Redevelopment Agency with regard to the Project Area No. 1 1977 Tax Allocation Bonds, and the firm will receive compensation from the Agency contingent upon the sale and delivery of the Bonds. This Official Statement contains summaries of the Resolution of Issuance, the Community Redevelopment Law, the Redevelopment Plan for the Project, financial and economic data which do not purport to be complete, and reference is made to the documents on file in the office of the Executive Director of the Agency for further information. Statements which involve estimates or opinions, whether or not expressly so described herein, are intended solely as such and are not to be construed as factual reports.

The Official Statement does not constitute a contract with buyers or holders, from time to time, of the Bonds. The Resolution of Issuance, which does constitute such a contract, accompanies the Official Statement as originally distributed and is available to any prospective bidder on request from the Executive Director of the Agency.

The legal opinion, approving the validity of the Bonds, will be furnished by Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, Bond Counsel to the Agency. Bond Counsel's participation in the review of this Official Statement has been limited to reviewing the statements of law and legal conclusions as set forth hereinafter under the heading "The Bonds".

No dealer, broker, salesman or other person has been authorized by the Agency to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The execution and distribution of this Official Statement have been duly authorized by the Agency.

MONROVIA REDEVELOPMENT AGENCY

Robert T. Bartlett, Chairman

Robert R. Ovrum, Executive Director



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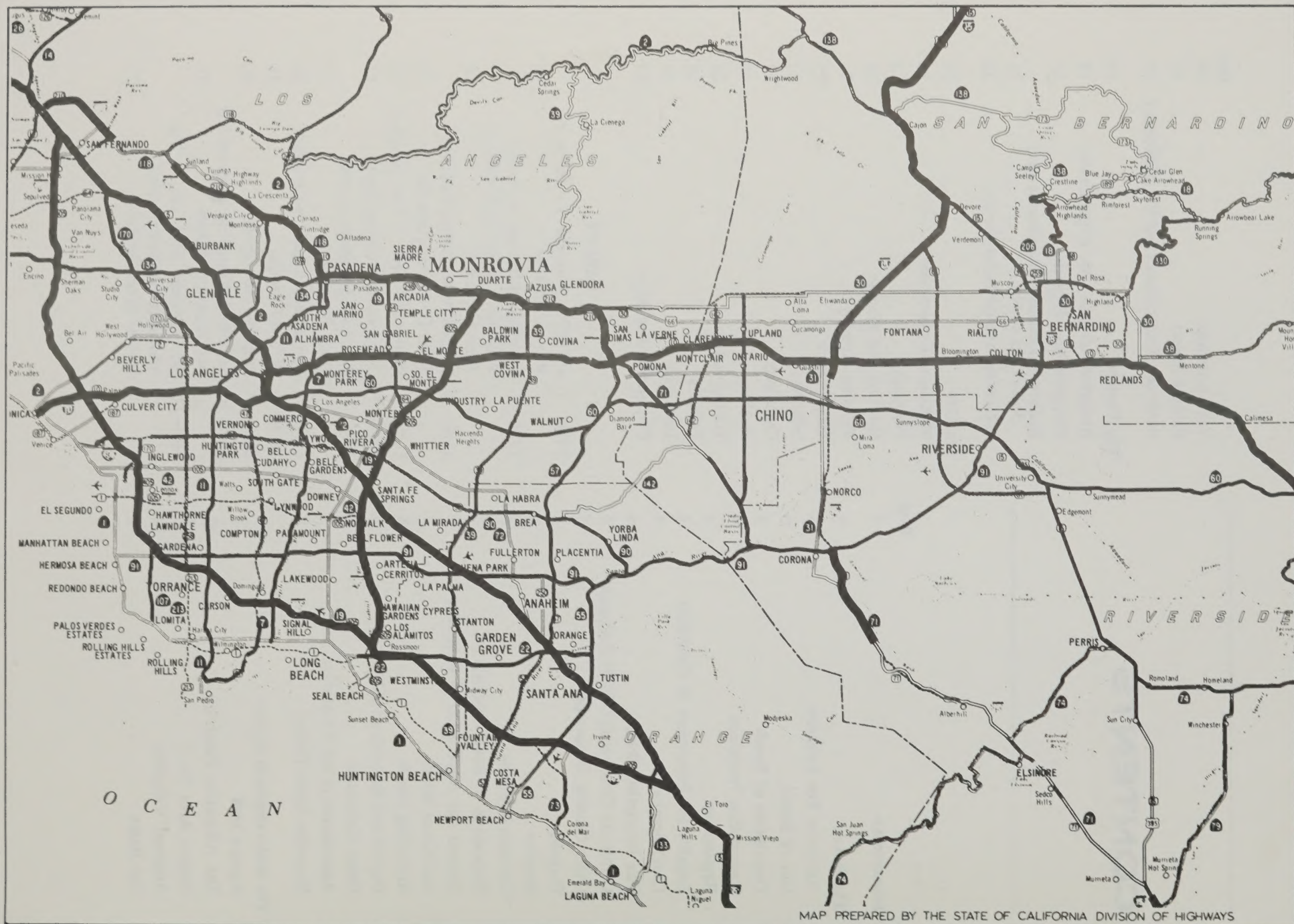
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City of Monrovia and Vicinity.

INTRODUCTION

The Monrovia Redevelopment Agency was formed pursuant to Ordinance No. 69-1 of the Monrovia City Council adopted March 4, 1969. Subsequently on December 18, 1973, the Agency and the City approved the Redevelopment Plan for Project Area No. 1.

Project Area No. 1 covers approximately 415 acres of land within the central business district of the City. It contains a mixture of commercial, industrial and residential uses. However, some of the residences are within commercial and industrial areas and are to be replaced with more appropriate buildings under the Redevelopment Plan.

To date, the Agency has avoided the practice of acquiring and assembling large tracts of land for later resale to a developer of a large single project. Instead it has entered into participation agreements with prospective purchasers of sites for individual buildings under which the Agency acquires land, immediately sells it to the prospective purchaser and receives an easement from the purchasers to enter the property for purposes of clearing it for development. In this way the Agency has been able to avoid making large outlays for land acquisition and clearance in advance of the sale of the property to a developer. However, in order to encourage development, the Agency has agreed to the resale of properties for less than the cost of acquiring and clearing them.

To date, the Agency has been able to finance its operations from tax increments resulting from increases in the assessed valuation of Project Area No. 1 and from money advanced to it from the City.

However, the Agency has determined that it is necessary to issue the \$1,110,000 of bonds currently being offered for sale to finance ten new projects which it plans to initiate within the next six months and to maintain adequate reserves for contingencies.

The bonds will be secured by a pledge of the tax increments received by the Agency and of interest earned in any of the funds created pursuant to the resolution providing for the issuance of the bonds. The tax increment consists of the amount of taxes collected on that portion of the assessed valuation of Project Area No. 1 which is in excess of the 1973/74 level. The Agency has no power to levy taxes of its own. It may only receive that portion of taxes levied by other governmental agencies which is derived from increases in the Project Area's assessed valuation.

Accordingly, any reduction in tax rates, whether as a result of new statutes, Constitutional amendment or the provision of additional revenues to taxing agencies which would reduce the need for tax revenues, or any increases in exemptions for the type of property located in the Project Area which are not offset by funds from other sources, would have the effect of reducing the Agency's tax revenues. The amount of school district taxes in particular which may be levied in the future may be limited by a December 1976 decision of the California Supreme Court that the present system of financing public schools based on ad valorem taxes is invalid. The decision required that a Constitutionally valid system be placed into effect within four years. Furthermore, the California Legislature is expected to review the entire system of ad valorem taxes in its 1977 session.

The Los Angeles County Auditor-Controller reports that Project Area No. 1 will produce tax increments for 1976/77 totalling \$436,804.04 less delinquencies. This would cover the estimated maximum annual debt service on the \$1,110,000 of 1977 Project Area No. 1 Tax Allocation Bonds by more than 1.76 times.

The City of Monrovia, the fourth oldest city in Los Angeles County, is located in the extreme northern portion of the San Gabriel Valley, 20 miles north-east of the Los Angeles civic center. The topography of the City's 13.75 square miles varies between broad stretches of relatively flat land and foothills at the base of the San Gabriel Mountains. The City's January, 1977 population was estimated at 29,600 by the State Department of Finance.

Monrovia is a general law city which operates under the council-manager form of government. All City functions are carried out under the direction of the City Manager who is appointed by the five-member City Council.

Development within the City's boundaries consists of residential neighborhoods which contrast sharply according to socio-economic characteristics, a gradually declining commercial base and a substantial industrial base.

The City is traversed by U.S. Highway 66, the Foothill Freeway (State Route 210) and the main line of the Atchison, Topeka & Santa Fe Railroad. The Foothill Freeway links the City directly to the Los Angeles-Orange County freeway network.

THE BONDS

The following statements concerning the resolution providing for the issuance of the bonds and the Official Notice of Sale are summaries of certain provisions of those documents. They do not purport to be complete and are qualified in their entirety by reference to the documents, copies of which accompany this official statement as originally distributed.

Authority For Issuance

The \$1,110,000 of Monrovia Redevelopment Agency Project Area No. 1 1977 Tax Allocation Bonds, currently being offered for sale, were authorized pursuant to a resolution of the Monrovia Redevelopment Agency, adopted May 3, 1977. The bonds will be issued under the provisions of the Community Redevelopment Law, commencing with Section 33000 of the California Health and Safety Code.

Sale of Bonds

Bids for the purchase of the bonds will be received by the Secretary of the Monrovia Redevelopment Agency until 4:00 P.M., Tuesday, May 24, 1977 at the office of the City Clerk of the City of Monrovia, City Hall, 415 South Ivy Avenue, Monrovia, California 91016. Details as to the terms of sale are included with the Official Notice of Sale, adopted May 3, 1977, a copy of which is included with this official statement as originally distributed.

Description of Bonds

The \$1,110,000 of Project Area No. 1 1977 Tax Allocation Bonds will be dated June 1, 1977 and will be initially issued as coupon bonds in denominations of \$5,000 each numbered 1 through 222. The bonds will mature on June 1 of the years 1978 through 1982 in the amounts shown in the accompanying Schedule of Maturities.

SCHEDULE OF MATURITIES

Year	Amount	Year	Amount
1978 . . .	\$200,000	1981 . . .	\$235,000
1979 . . .	210,000	1982 . . .	245,000
1980 . . .	220,000		

Interest on the bonds will be due June 1 and December 1 of each year, commencing December 1, 1977.

Both interest and principal are payable at or by the Fiscal Agent, Security Pacific National Bank, Los Angeles, California, or at paying agents of the Agency in Chicago, Illinois or New York City, New York.

Redemption Provisions

The bonds maturing on and before June 1, 1980, are not subject to redemption prior to maturity. The bonds maturing on June 1 of 1981 and 1982 are subject to call for redemption, in inverse order of maturity and by lot within a single maturity on any interest payment date beginning June 1, 1980. The bonds are redeemable at par, plus accrued interest and a premium equal to one-quarter of one percent for each year or intervening fraction of a year from the redemption date to the maturity date of the bond.

Notice of redemption is to be published once at least 30 but no more than 60 days before the redemption date in a financial journal circulated in New York City and is to be mailed to all holders of registered bonds to be called for redemption.

Registration

The bonds will be initially issued as coupon bonds in denominations of \$5,000 each. Thereafter coupon bonds may be exchanged for registered bonds of the same maturity in denominations of \$5,000 or any multiple of \$5,000 and registered bonds may be exchanged for coupon bonds.

Legality for Investment in California

Section 33663 of the Community Redevelopment Law provides that bonds of a redevelopment agency are legal investments for all banks, trust companies, savings banks, building and loan associations, insurance companies, political subdivisions and trust funds and that the bonds are eligible to secure public deposits in California.

The Superintendent of Banks of the State of California has previously ruled that bonds of a redevelopment agency are legal investments in California for savings banks. As such, the bonds would also be legal investments for all trust funds, and for the

funds of all insurance companies, commercial banks, trust companies, and any public or private funds which may be invested in county, municipal, or school district bonds. The bonds may be deposited as security for the performance of any act whenever the bonds of any county or municipality may be so deposited, and may also be used as security for the deposit of public moneys in banks in the state.

Legal Opinion

The unqualified legal opinion of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, bond counsel to the Monrovia Redevelopment Agency in connection with the 1977 Project Area No. 1 Tax Allocation Bonds, will be furnished without cost to the original purchasers of the bonds. A copy of the legal opinion, certified by the official of the Agency in whose office the original is filed, will be printed on each bond at the expense of the Agency.

The statements of law and legal conclusions set forth in this section of the official statement entitled "The Bonds" have been reviewed by Bond Counsel. Bond Counsel's employment is limited to a review of the legal procedures required for the authorization of the bonds and to rendering an opinion as to the validity of the bonds and the exemption of interest on the bonds from income taxation. The opinion of Bond Counsel will not consider or extend to any documents, agreements, representations, offering circulars or other material of any kind concerning the bonds, not mentioned in this paragraph, including portions of this official statement other than this section entitled "The Bonds."

Tax Exemption Status

In the opinion of bond counsel the interest on the bonds is exempt from Federal income taxes and from State of California personal income taxes under existing Federal and State laws, regulations and court decisions.

Certificate Concerning Official Statement

At the time of payment for and delivery of the bonds, the Agency will furnish the successful bidder a certificate, signed by appropriate officers of the Agency and the City of Monrovia, acting in their

official capacity, to the effect that to the best of their knowledge and belief, and after reasonable investigation, (a) neither the official statement nor any amendment or supplement contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading; (b) since the date of the official statement no event has occurred which should have been set forth in an amendment or supplement to the official statement which has not been set forth in such an amendment or supplement; nor (c) has there been any material adverse change in the operation or financial affairs of the Agency or the City since the date of such official statement.

Other Closing Documents

In addition to the opinion of Bond Counsel and the Certificate Concerning the Official Statement described above, the Agency will, at the time of delivery of the bonds, furnish the purchaser the following documents, all to be dated as of the date of delivery:

1. *Arbitrage Certificate.* A certificate of a responsible officer of the Agency that, on the basis of the facts and circumstances in effect at the time of delivery of the bonds, it is not expected that the proceeds of the bonds will be used in a manner that will cause the bonds to be arbitrage bonds.
2. *No Litigation Certificate.* A certificate of a responsible officer of the Agency that there is no litigation threatened or pending affecting the validity of the bonds.
3. *Signature Certificates.* Certificates of the respective officers and representatives of the Agency showing that they have signed the bonds by manual or facsimile signature, and that they were duly authorized to execute the same.
4. *Treasurer's Receipt.* The receipt of the Treasurer of the Agency showing that the purchase price of the bonds, including accrued interest to the date of delivery (if any), has been received by the Agency.

Purpose

The proceeds from the sale of the bonds will be used to pay the costs of acquiring, clearing and

improving land within Project Area No. 1, including off-site improvements, to establish a Reserve Fund as described below, and to meet the costs of issuing the bonds. Further details of the redevelopment program are set forth in the section of this official statement entitled "The Project".

Security

Bond principal and interest are payable from, and secured by, an exclusive pledge of the tax revenues received by the Agency, of the money in the Reserve Account, described below, and of the interest earned from the deposit and investment of money in the funds created pursuant to the resolution providing for the issuance of the bonds. Bond principal and interest may also be met with any other funds the Agency may have available for the purpose.

The tax revenues will be derived by the Agency from any increases in the assessed valuation of Project Area No. 1 in the following manner.

Under the California Community Redevelopment Law and the Redevelopment Plan, taxes levied by any taxing agency on taxable real property in the project area will be divided as follows:

1. *Frozen Tax Base* — Each year commencing with the 1974/75 fiscal year, each taxing agency which receives ad valorem taxes from the Project Area has been entitled to receive the amount calculated by applying its then current tax rate to the amount of assessed valuation in the Project Area up to the amount which was shown on the assessment roll last equalized before the effective date of the Redevelopment Plan (in this case, the 1973/74 tax roll).
2. *Tax Increment* — Commencing with the 1974/75 fiscal year, the Redevelopment Agency has received the amount calculated by applying the then current tax rates of all taxing agencies to the amount of any increase in assessed valuations over that shown on the 1972/73 equalized assessment roll for the Redevelopment Project Area. This amount is referred to in the official statement as the tax increment or as tax increment revenues, or tax revenues. The first tax increment of the Project Area No. 1 occurred in the 1974/75 fiscal year.

The bonds are special obligations of the Redevelopment Agency. They are not a debt of the City

of Monrovia, the State of California or any political subdivision of the State. Neither the City, the State, or any of its subdivisions are liable for payment of the bonds.

The Agency does not have the power to tax directly, only to receive the tax increment described above. Accordingly, any reduction in tax rates, whether as a result of new statutes, Constitutional amendment or the provision of additional sources of revenues to taxing agencies which would reduce the need for tax revenues, or any increases in exemptions for the type of property to be located in the Project Area which are not offset by funds from other sources, would have the effect of reducing the Agency's tax revenues.

The extent to which school districts in particular will continue to levy local property taxes in the future may be affected by the December 30, 1976 decision of the Supreme Court of California in the case of *Serrano vs. Priest*. In that decision the State Supreme Court affirmed a judgment of the Superior Court of California for the County of Los Angeles, holding the California system of financing public elementary and high schools, based on ad valorem taxation, invalid under the California Constitution.

The affirmed Judgment of the Superior Court also provides: (1) that the judgment is not intended to invalidate, and shall not be construed as invalidating in any way, any past acts constituting the operation of the school financing system; (2) that the existing school financing system shall continue to operate for a reasonable length of time (but in no event later than September 1980) so that a constitutional system can be designed, enacted into law, and placed into operation; (3) that any redesign of the school financing system which provides for elimination of unconstitutional features on a gradual basis must be such that the redesigned school financing system will be fully constitutional no later than six years from date of entry of the judgment, and that otherwise there will be a denial to the plaintiffs of their constitutional rights for an unreasonable length of time; and (4) that the Trial Court is retaining jurisdiction so that any of the parties may apply for appropriate relief in the event that relevant circumstances develop, such as a failure by the legislative and executive branches to take the necessary steps to design, enact into law, and place into operation, within a reasonable time from entry of the judgment, a fully constitutional system.

To the extent that this decision, and any future legislative or judicial action required to implement or enforce such decision, may limit the ability of schools to continue to levy ad valorem property taxes for the support of education, tax revenues will be reduced, adversely affecting the security of the bonds.

The components of the tax rate levied in the Project Area for the 1976/77 fiscal year are shown in Table 3.

Creation of Funds

The resolution providing for the issuance of the bonds requires the establishment of the following funds and accounts, which are described in the following sections of this official statement:

1. Special Fund (held by the Fiscal Agent)
 - a. Principal Account
 - b. Interest Account
 - c. Reserve Account
2. Redevelopment Fund (held by the Treasurer of the Agency)

Disposition of Bond Proceeds

The resolution provides that all proceeds from the sale of the bonds shall be paid to the Fiscal Agent for deposit as follows:

1. *Special Fund.*
 - A. *Interest Account.* The premium and accrued interest (if any) received from the purchaser at the time of the delivery of the bonds will be placed in the Special Fund for deposit in the Interest Account.
 - B. *Reserve Account.* An amount equal to the maximum annual interest on the bonds (the minimum Reserve Fund balance) will be placed in the Special Fund for deposit in the Reserve Account.
2. *Redevelopment Fund.* The balance of the bond proceeds will be transferred by the Fiscal Agent to the Treasurer of the Agency for deposit in the Redevelopment Fund.

Deposit and Application of Revenues

All tax revenues of the Agency and monies in the Reserve Account are pledged to the payment

of the bonds. Additionally, interest earned on investments and deposits of monies held in the Special Fund will be available to meet debt service, and any money in the Redevelopment Fund may be transferred by the Agency to the Fiscal Agent for deposit in the Special Fund. Money in the Fund will be used as follows:

1. *Principal Account.* The Fiscal Agent will place in the Principal Account monies to pay the principal coming due on the next June 1.
2. *Interest Account.* On or before November 30 of each year, commencing November 30, 1977, the Fiscal Agent will place in the Interest Account an amount which together with the balance then on hand in the Account will be equal to the interest coming due on the next December 1. On or before May 31 of each year, commencing May 31, 1978, the Fiscal Agent will place in the Interest Account an amount which together with the balance then on hand in the Account will be equal to the interest coming due on the following June 1, less the amount by which the minimum Reserve Account balance will be reduced as a result of applying the amount in the Principal Account to the payment of the principal of the bonds coming due on the next June 1.
3. *Reserve Account.* Thereafter, the Fiscal Agent will transfer to the Reserve Account the amount, if any, required to bring the balance in the Account to an amount equal to the maximum annual interest on the bonds. Money in the Account may be withdrawn solely for the purpose of replenishing any deficiency in the Interest or Principal Accounts, except that any balance in the Account in excess of the minimum Reserve Account balance shall be transferred to the Special Fund.
4. *Surplus.* After making the required transfers to the Principal Account, the Interest Account and the Reserve Account, the Fiscal Agent will, at the direction of the Agency, transfer all or a portion of the balance to the Agency to be used for any legal purpose of the Agency. The Agency intends to use such surplus funds to reimburse the City of Monrovia for funds advanced to the Agency or expended by the City for purposes beneficial to the redevelopment project. The City has advanced to the Agency a total of \$618,914

and the Agency has reimbursed the City for \$33,000 of this amount. It is expected that the City will make additional advances to the Agency in future years. Any remaining balance may be used to purchase or redeem bonds.

Additional Bonds

The Agency may issue additional parity bonds to meet Redevelopment Project costs, subject to the following conditions:

1. The Agency is in compliance with all covenants set forth in the resolution providing for the issuance of these bonds.
2. The taxes eligible for allocation as shown on the last equalized assessment roll, less a percentage equal to the delinquency rate of taxes in the Project Area during the prior fiscal year, plus, at the option of the Agency, the estimated taxes eligible for allocation based on current tax rates, from the estimated assessed valuation of improvements completed within the Project Area but not yet on the tax rolls, including the estimated increase in the assessed valuations of lands underlying such improvements, as shown by an opinion of the Los Angeles County Auditor-Controller and/or Assessor, or of an independent MAI appraiser, less a percentage equal to the delinquency rate of taxes in the Project Area for the prior fiscal year, shall be at least equal to 1.35 times the maximum combined annual bond service on the outstanding bonds and the additional bonds.
3. There shall be placed in the Special Fund, from the proceeds of the additional bonds, or from the Redevelopment Fund, for deposit in the Interest Account, an amount which, together with the balance in the Account plus the amount of Tax Revenues to become available for deposit in the Interest Account before the date of the first interest payment on the additional bonds (as shown by a certificate of the Los Angeles County Auditor-Controller or an opinion of an independent certified public accountant), shall be equal to the first interest payment on the additional bonds.
4. The Reserve Account will be increased to an amount equal to the maximum annual interest on the outstanding bonds and the additional bonds from bond proceeds.

5. Interest on the additional bonds will be payable on June 1 and December 1 and principal will mature June 1.
6. The additional bonds may not be subject to call for redemption prior to June 1, 1980.
7. The Agency shall have received all required approvals of any governmental authority having jurisdiction over the Additional Bonds or their terms.

The Agency may also issue short term notes, payable no later than one year from their date, out of the tax revenues to be received in that one year period, for the purpose of replenishing the minimum reserve fund balances.

Refunding Bonds

Existing State Law provides that refunding bonds secured by Tax Revenues derived from Project Area No. 1 may be issued for the purpose of refunding all or any series of the bonds then outstanding.

Deposit and Investment of Funds

All moneys held by the Fiscal Agent in the Special Fund and the Reserve Account shall be invested in securities as described below, or held in time or demand deposits in any bank or trust company authorized to accept deposits of public funds.

1. *Special Fund.* Monies in the Special Fund (including the Principal, Interest and Reserve Accounts) may, and upon written request of the Agency shall, be invested by the Fiscal Agent in Federal securities.

Securities purchased with monies in the Principal and Interest Accounts shall mature on or before the date the proceeds shall be needed to pay bond principal and interest, respectively.

Securities purchased with monies in the Reserve Account shall mature on or before the dates the monies are scheduled to be paid out or transferred to another fund or account.

2. *Redevelopment Fund.* Money in the Redevelopment Fund may be invested in any securities which are legal investments for the Agency.

Earnings realized from the investment of moneys in the Special Fund, including the Principal Account, the Interest Account and the Reserve Account, including gains realized upon the sale or redemption

of such investments, shall be credited to such fund or account. Any loss resulting from the sale or redemption of such investments will be charged to the fund or accounts from which moneys were derived to make the investments.

For the purpose of determining at any given time the balance in the Reserve Account, any investment constituting a part of the Account shall be valued at the estimated market value of such investment.

Moreover, the Agency covenants in the bond resolution not to cause proceeds from the sale of the bonds to be invested in such a manner as to cause the bonds to be classified as arbitrage bonds.

Other Covenants

Under the resolution providing for the issuance of the bonds the Agency covenants:

1. To punctually pay bond interest and principal and to abide by all other provisions of the resolution;
2. Not to extend or agree to an extension of time for the payment of any interest coupon. (The covenant provides that in case of default any coupon so extended will have no rights under the resolution until all other coupons and bonds have been paid.);
3. Not to encumber or place a senior or equal lien on the tax revenues;
4. To manage and keep insured all of its properties in a business-like manner;
5. To pay or contest in good faith all claims which might become a lien on the tax revenues or any property of the Agency or which might otherwise impair the security of the bonds;
6. To keep proper accounts and records and to file with the Fiscal Agent, within 120 days after the close of each fiscal year, financial statements for the fiscal year, audited by an independent certified public accountant;
7. To protect the security of the bonds and the rights of the bondholders and to defend them against any claims;
8. To pay or contest in good faith all taxes, assessments or other governmental charges on the Agency, its tax revenues or its properties;

9. To complete the redevelopment project with all practical dispatch and in conformity with the redevelopment plan;

10. To make provision for the collection of taxes or in-lieu payments equal to the taxes which would have been payable on any property leased by the Agency if that property had been privately owned.

11. Not to dispose of more than ten percent of real property in the redevelopment project area for public use which would make it tax exempt (except for land now scheduled for public use in the redevelopment plan) unless:

(i) An independent real estate appraiser and financial consultant report, respectively, that the disposition would not diminish the tax revenues and would not materially impair the security of the bonds, or

(ii) The purchaser agrees to pay to the Fiscal Agent, for deposit in the Special Fund, an amount equal to the taxes which would be payable on or before June 1, 1982, if the property were taxable.

Amendment of the Resolution

The bond resolution may be amended with the consent of the owners of at least 60 percent of the outstanding bonds (excluding bonds owned by the Agency, or the City, except for bonds held by pension funds) provided that no such amendment shall reduce the time for, or amount of, payment of principal or interest without the consent of the affected bondholder; create a lien on the Tax Revenues which is equal or superior to the lien of the bonds; reduce the percentage of bonds required to approve amendments to the resolution; or modify the rights or obligations of the Fiscal Agent or any paying agent without their consent.

The Agency may, without the consent of the bondholders, amend the resolution to add covenants or to restrict the Agency's rights, to cure ambiguities or other defects, by provisions not adversely affecting the interests of the bondholders, or to provide for the issuance of additional bonds in accordance with the provisions of the resolution.

Remedies Upon Default

The bond resolution provides that any of the following shall constitute an event of default:

1. Failure to punctually pay interest or principal;
2. Failure by the Agency for a period of 30 days to observe any of the terms of the resolution;
3. If the Agency files a petition in bankruptcy under Federal law, or if a court shall approve a petition seeking reorganization under Federal bankruptcy, or if a court shall assume custody of the Agency or its property under any law for the relief of debtors.

In any such event of default the resolution provides that either the Fiscal Agent or the holders of 60 percent of the bonds may declare all of the bond principal and accrued interest immediately due and payable. If such declaration of acceleration is made the monies in the Special Fund (including the Interest, Principal and Reserve Accounts), and any Tax Revenues received will be applied as follows:

1. First, to pay the Fiscal Agent or the bondholders the costs of making the declaration of acceleration.
2. Next, to the payment of principal and interest together with interest at the rate of eight percent on any overdue installments of interest, provided that if the money available is not sufficient to pay all principal and interest it is to be pro rated against all outstanding amounts.



Aerial View of the City of Monrovia and Vicinity

THE REDEVELOPMENT AGENCY

The Monrovia Redevelopment Agency was created under provisions of Ordinance No. 69-1 of the City Council of the City of Monrovia, adopted March 4, 1969, and pursuant to the Community Redevelopment Law of the State of California commencing with Section 33000 of the Health and Safety Code.

The City Council acts as the governing board of the Agency.

Agency Staff

Following are brief descriptions of the principal members of the Agency staff.

Executive Director — Mr. Robert R. Ovrum serves as City Manager and Executive Director of the Agency. Mr. Ovrum holds a Bachelor's degree in political science from the University of California at Santa Barbara and a Master's degree from the University of Southern California. He was appointed City Manager this year after having joined the City in 1974 as Assistant City Manager and Executive Director of the Agency. Prior to that he served two and one-half years in the Peace Corps followed by four years as Assistant to the City Manager in Simi Valley, California.

Assistant Executive Director — Mr. Rodney L. Gunn, Deputy City Manager and Director of Community Development for the City, also serves as Assistant Executive Director of the Agency. Mr. Gunn joined the City in 1974 as the Director of Building and Planning and was appointed to his present positions this year. He formerly served six years as Advance Planning Administrator for the City of Newport Beach, California. He holds a Bachelor of Science degree in environmental design from California State Polytechnical University, Pomona.

Attorney — Mr. Henry Barbosa is both City Attorney and the attorney for the Agency. Mr. Barbosa holds both Bachelor of Arts and Juris Doctor degrees from the University of California, Los Angeles. He began his practice in 1974 as a Deputy District Attorney for Los Angeles County and after two years joined the firm of Martin & Flandrick. When that firm disbanded in 1976 he opened his own practice, which he still maintains.

Financial Officer — Mr. Harlan Ravitch, the City's Director of Administrative Services, is the

chief financial officer of the Agency. He joined the City in 1976 as Director of Finance and was given additional responsibilities, reflected by his current title, this year. Before joining the City of Monrovia he served for eight years as Assistant Director of Finance for the City of Ontario, California, following two years as an accountant with the City of Torrance, California. Mr. Ravitch holds a Bachelor of Science in accounting from Tri State University in Indiana.

Secretary — The Secretary of the Agency is the City Clerk, Mr. Roy Kropke. Mr. Kropke was first elected to this post four years ago and is currently serving his second term in office.

Treasurer — Mrs. Hilda Herb serves as Treasurer of both the Agency and the City. Mrs. Herb was first elected City Treasurer five years ago. She is currently serving her third term in this post.

Tax Allocation Financing

Under the Community Redevelopment Law, the Agency is a separate public body and exercises governmental functions in executing duly adopted redevelopment projects. The Agency has the right to acquire property, by purchase or eminent domain proceedings; to clear, develop and improve property; to sell or lease such property; to construct public buildings; to accept financial assistance from any source; and to issue bonds.

The Community Redevelopment Law authorizes a method of financing redevelopment projects based upon the increase in property taxes within the project area which may occur as redevelopment proceeds. The assessed valuation within the project area existing prior to the adoption of the redevelopment plan is established. This amount is referred to as the frozen tax base. Thereafter, all overlapping taxing agencies continue to receive the taxes derived by the levy of their current tax rates against assessed valuations of the project area up to this frozen base. All property taxes collected upon any increase in assessed valuations above the frozen base will be credited to a redevelopment agency to the extent necessary to repay any indebtedness incurred by the agency in the development of the project. Such indebtedness may include, in addition to bonds and notes of the agency, a contractual obligation of the agency to reimburse to the city in which it is located cash advances and the costs of property,

services and improvements provided by the city in aid of the redevelopment program.

The City of Monrovia has advanced the sum of \$618,914 to the Agency, of which \$33,000 has been repaid.

Project Area No. 1

The Redevelopment Agency has established one redevelopment project area, known as Project Area No. 1 (Central Redevelopment Project). It was established December 18, 1973, and covers 415 acres in the central business district of the City.

Assessed Valuation

Assessed valuations within Monrovia Redevelopment Project Area No. 1 are established by the Los Angeles County Assessor, except for utility property which is assessed by the State Board of Equalization. The State Board of Equalization has reported that the assessed valuations established by the Los Angeles County Assessor for the 1976/77 fiscal year averaged 27.5 percent of full value. However the County Assessor has disputed this finding, claiming the actual rate is closer to the statutory requirement of 25 percent of full value. Utility property is reportedly assessed at 25 percent of average state-wide full values.

California law provides for two types of exemptions from ad valorem taxes — \$1,750 of the assessed valuation of an owner-occupied dwelling and 50 percent of the assessed valuation of business inventories — which do not result in any loss of revenue to local agencies since an amount equal to the taxes which would have been payable on such exempt amounts is made up by the State.

Table 1 shows the total 1976/77 assessed valuation of Project Area No. 1 before deduction of the homeowners' and business inventory exemptions and the amount of the increase over the frozen tax base.

Table 2 shows the incremental increases in the assessed valuation of Project Area No. 1 over the frozen tax base since it was established.

Tax Rates

Project Area No. 1 contains a total of 17 tax rate areas, two located within the Duarte Unified School District and the balance in the Monrovia Unified School District. Table 3 summarizes the

1976/77 tax rates levied within the two tax rate areas which are in the Duarte Unified School District and in nine of the 15 tax rate areas in the Monrovia Unified School District. The total 1976/

77 tax rates within the remaining six tax rate areas vary from \$13.3998 to \$14.1752 per \$100 assessed valuation. The only differences are in the sanitation and lighting maintenance district taxes.

Table 1

MONROVIA REDEVELOPMENT AGENCY

1976/77 Assessed Valuation of Project Area No. 1

	Total Assessed Valuations	Less: Frozen Tax Base	Increase (Decrease) In Assessed Valuations
LOCAL SECURED			
Land	\$ 4,192,475	\$ 4,534,975	\$ (342,500)
Improvements	4,744,860	4,347,440	397,420
Personal Property	1,865,120	1,012,815	852,305
Exemptions ^①	(779,105)	(549,915)	(229,190)
Total	\$10,023,350	\$ 9,345,315	\$ 678,035
UTILITY			
Land	\$ 209,610	\$ 198,050	\$ 11,560
Improvements	2,508,110	2,337,250	170,860
Personal Property	461,770	509,190	(47,420)
Total	\$ 3,179,490	\$ 3,044,490	\$ 135,000
UNSECURED			
Improvements	\$ 1,232,330	\$ 752,030	\$ 480,300
Personal Property	4,334,068	2,865,520	1,468,548
Exemptions	(2,800)	—	(2,800)
Total	\$ 5,563,598	\$ 3,617,550	\$ 1,946,048
AGGREGATE			
Land	\$ 4,402,085	\$ 4,733,025	\$ (330,940)
Improvements	8,485,300	7,436,720	1,048,580
Personal Property	6,660,958	4,387,525	2,273,433
Exemptions	(781,905)	(549,915)	(231,990)
Total	\$18,766,438	\$16,007,355	\$ 2,759,083

① Excluding homeowners' and business inventory exemptions which do not result in any loss of revenues since an amount equivalent to the taxes which would otherwise be due on such exempt values is paid by the State of California.

Table 2**MONROVIA REDEVELOPMENT AGENCY****Incremental Increase in Project Area No. 1 Assessed Valuations Since Formation**

	1974/75	1975/76	1976/77
LOCAL SECURED			
Land	\$ (18,900)	\$ (99,450)	\$ (342,500)
Improvements	394,120	457,270	397,420
Personal Property	566,965	1,278,445	852,305
Exemptions ^①	(92,315)	(187,015)	(229,190)
Total	\$ 849,870	\$1,449,250	\$ 678,035
UTILITY			
Land	\$ 500	\$ 10,960	\$ 11,560
Improvements	95,910	241,060	170,860
Personal Property	(93,420)	(55,870)	(47,420)
Total	\$ 2,990	\$ 196,150	\$ 135,000
UNSECURED			
Improvements	\$ 146,755	\$ 240,856	\$ 480,300
Personal Property	550,095	1,022,350	1,468,548
Exemptions	—	(1,625)	(2,800)
Total	\$ 696,850	\$1,261,581	\$1,946,048
AGGREGATE			
Land	\$ (18,400)	\$ (88,490)	\$ (330,940)
Improvements	636,785	939,186	1,048,580
Personal Property	1,023,640	2,244,925	2,273,433
Exemptions	(92,315)	(188,640)	(231,990)
Total	\$1,549,710	\$2,906,981	\$2,759,083

① Excluding homeowners' and business inventory exemptions which do not result in any loss of revenue since an amount equal to the taxes which would otherwise be due on such exempt values is paid by the State of California.

Table 3**MONROVIA REDEVELOPMENT AGENCY****Typical 1976/77 Tax Rates Per \$100 in Project Area No. 1**

Tax Rate Area	3364	3392	6203, 6208 and 6211	Various①
City of Monrovia	\$ 2.2300	\$ 2.2300	\$ 2.2300	\$ 2.2300
Los Angeles County	4.4576	4.4576	4.4576	4.4576
County School Services	.0565	.0565	0.565	.0565
Handicapped Education	.2987	.2987	.2987	.2987
Duarte Unified School District				
Operations	5.6929	5.6929	—	—
Debt Service	.2818	.2818	—	—
Monrovia Unified School District				
Operations	—	—	4.7533	4.7533
Debt Service	—	—	.2613	.2613
Citrus Community College District	.5854	.5854	.5854	.5854
Monrovia Consolidated Lighting Maintenance District	.7900	.7900	.7900	.6300
Broadland Lighting District	.4933	—	—	—
Los Angeles County Flood Control District . .	.3131	.3131	.3131	.3131
County Sanitation District No. 15	—	—	.2859	.2859
County Sanitation District No. 22	.2713	.2713	—	—
Metropolitan Water District of Southern Cali- fornia	.1480	.1480	.1480	.1480
Upper San Gabriel Valley Municipal Water District	.0100	.0100	.0100	.0100
Total	\$15.6286	\$15.1353	\$14.1898	\$14.0298
Assessed Valuation	\$360	\$287,590	\$10,702,930	\$5,742,084

① Tax rate applicable to six tax rate areas within Project Area No. 1.

Tax Increment

Table 4 shows the tax increments receivable by the Agency from Project Area No. 1 before any allowance for delinquencies for the three fiscal years

since the project area was established. No tax increments from the Duarte Unified School District are shown because the assessed valuation of the portion of Project Area No. 1 which is within that school district is below the 1973/74 base year.

Table 4

MONROVIA REDEVELOPMENT AGENCY

Project Area No. 1 Tax Increment

Fiscal Year:	1974/75	1975/76	1976/77
City of Monrovia	\$ 29,557.65	\$ 56,965.82	\$ 56,857.04
Los Angeles County	63,941.39	129,281.68	124,174.03
County School Services	2,577.14	10,202.60	11,424.67
Handicapped Education	875.10	1,866.09	2,285.01
Monrovia Unified School District			
Operations	69,522.80	204,158.56	193,168.59
Debt Service	4,909.26	11,993.57	10,721.74
Citrus Community College District	10,083.42	19,419.76	16,607.05
Monrovia Consolidated Lighting Maintenance Districts	4,202.11	526.40	6,768.91
Broadland Lighting District	—	.22	—
Los Angeles County Flood Control District	1,978.86	3,229.01	2,582.65
County Sanitation District No. 15	1,737.20	4,258.92	4,743.82
County Sanitation District No. 22	—	4,724.40	7,194.63
Metropolitan Water District of Southern California	2,601.21	—	—
Upper San Gabriel Valley Municipal Water District	112.18	227.62	275.90
Totals	\$192,098.32	\$446,854.65	\$436,804.04

Balance Sheets

Table 5 presents comparative balance sheets for the Agency as of June 30 of 1974, 1975 and 1976, as shown in reports of audit prepared for the City of Monrovia by Booth and Booth, Certified Public Accountants, Los Angeles and Pasadena, California.

Revenues, Expenditures and Fund Balances

Table 6 shows the revenues and expenditures of the Agency since its formation, together with changes in fund balances during the period, as shown in annual audit reports prepared by Booth and Booth.

Table 5**MONROVIA REDEVELOPMENT AGENCY****Comparative Balance Sheets**

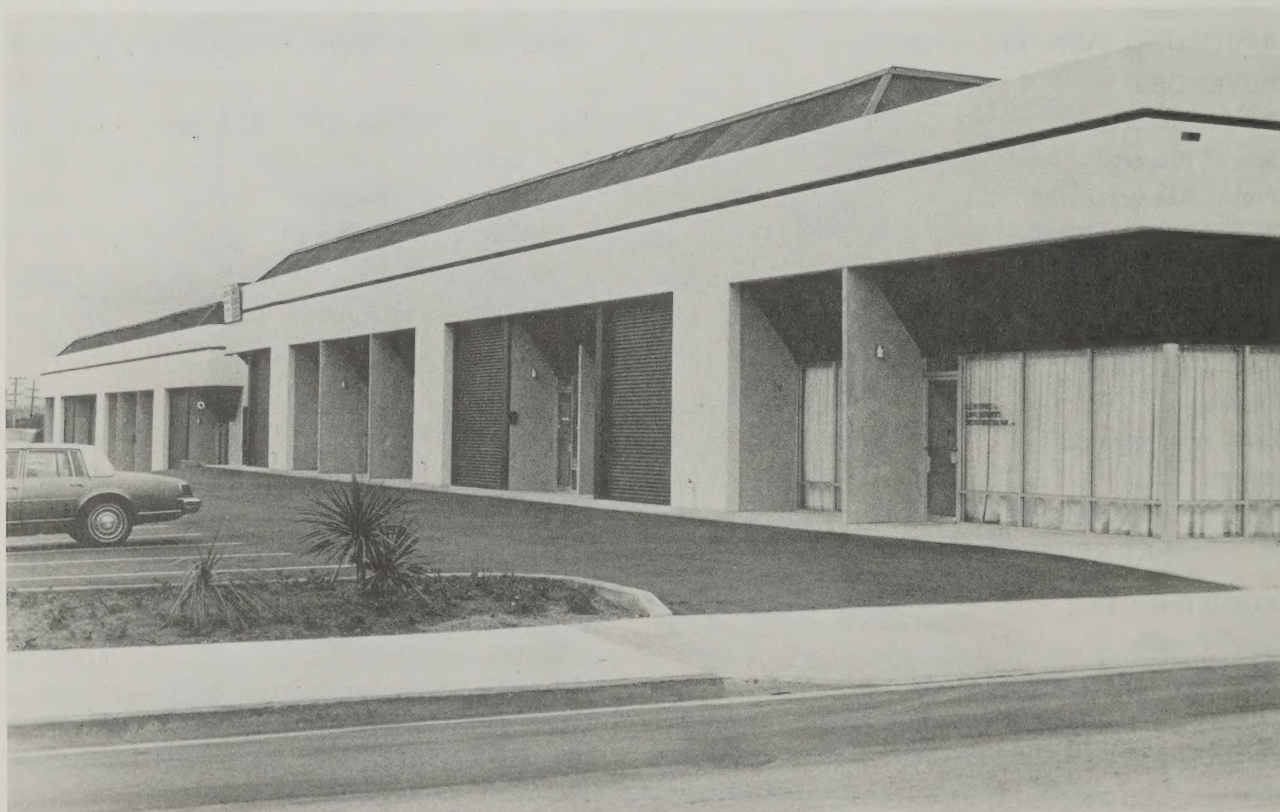
Year Ended June 30:	1974	1975	1976
ASSETS			
Cash	\$ 47,641	\$ (4,422)	\$319,737
Accounts Receivable	—	102,028	163
Total Assets	\$ 47,641	\$ 97,606	\$319,900
LIABILITIES AND FUND BALANCE			
Accounts Payable	\$ 663	\$ 163	\$ 9,498
Loans Payable	75,000	85,914	85,914
Total Liabilities	\$ 75,663	\$ 86,077	\$ 95,412
Fund Balance	(28,022)	11,529	224,488
Total Liabilities and Fund Balance	\$ 47,641	\$ 97,606	\$319,900

Table 6**MONROVIA REDEVELOPMENT AGENCY****Revenues, Expenditures and Fund Balances**

Fiscal Year:	1972/73	1973/74	1974/75	1975/76
BEGINNING FUND BALANCE	\$ —	\$ 7,276	\$ (28,022)	\$ 11,529
REVENUES				
Tax Increment	\$ —	\$ 10,737	\$182,212	\$441,248
Sale of Property	—	—	—	—
Project Resources	33,000	75,000	—	—
Revenue Sharing Funds	—	247,412	—	—
Rental	—	—	—	6,600
Total Revenues	\$ 33,000	\$333,149	\$182,212	\$447,848
EXPENDITURES				
Contracts	\$ 25,724	\$ 46,035	\$ 8,627	\$116,342
Land Acquisition	—	247,412	85,914	118,547
Interest	—	—	15,120	—
Total Expenditures	\$ 25,724	\$293,447	\$109,661	\$234,889
NET REVENUES	\$ 7,276	\$ 39,702	\$ 72,551	\$212,959
ADJUSTMENTS				
Loans Payable	\$ —	\$ (75,000)	\$ —	\$ —
Prior Year Adjustment	—	—	(33,000)	—
Total Adjustments	\$ —	\$ (75,000)	\$ (33,000)	\$ —
ENDING FUND BALANCE	\$ 7,276	\$ (28,022)	\$ 11,529	\$224,488



Two Project Area No. 1 developments: senior citizens' housing (top) and industrial building (below)



THE PROJECT

Rather than acquiring and clearing large tracts of land, as has been the practice of many redevelopment agencies, the Monrovia Redevelopment Agency has concentrated on acquiring, clearing and improving sites for individual buildings at the time construction of such buildings is ready to proceed.

The Agency's policy has been to obtain a commitment for construction of a building in the form of a participation agreement and then to acquire the site and simultaneously resell it to the other party to the agreement while retaining a temporary easement for the purpose of clearing the site and preparing it for development. In this way the Agency avoids both the removal of the property from the tax rolls and also the cash flow which would be required if the property were acquired and cleared prior to the time it was resold to a developer. However, in order to spur redevelopment, the Agency has agreed to accept a purchase price from the developers which is less than the cost of acquiring, clearing and preparing the building sites.

The Agency has treated this difference between its costs and the proceeds from the resale — called the write-down costs — as an investment to be recovered from the tax increment produced as a result of the new construction. To date it has been able to meet such write-down costs with its tax increment revenues and with advances from the City. However, it has determined that it is now necessary to issue the bonds currently being offered for sale to meet the costs of several new projects and to maintain adequate reserves for contingencies.

Table 7 lists the 15 projects in which the Agency has invested or made commitments to invest.

Budgeted Revenues and Expenditures

Table 8 summarizes the Agency's budget for the 1976/77 fiscal year. The \$500,000 advance from the City shown under "Revenues" has already been received by the Agency.

Proposed New Projects

The Agency plans to initiate ten additional projects within the next six months. These consist of three manufacturing plants, two industrial buildings, phase 2 of the senior citizens housing initiated under current projects, a condominium, a convenience store offering food and sundries, an administration build-

Table 7

MONROVIA REDEVELOPMENT AGENCY
Current and Completed Projects

	Land Acquisition	Relocation	Clearance	Offsite Improvements	Other	Total Costs	Less: Resale Price	Write- down Costs	Original Assessed Valuation	Estimated New Assessed Valuation	Incremental Assessed Valuation
Bontempo Condominiums	\$ 254,700	\$ —	\$18,000	\$ 6,300	\$ 6,882	\$ 285,882	\$ 181,650	\$104,232	\$66,750	\$445,500	\$378,750
Bozzani Porsche-Audi Dealership	240,000	—	2,500	3,500	—	246,000	170,000	76,000	41,500	137,500	96,000
Coastal Roofing Distribution Center	160,000	—	1,300	1,200	—	162,500	138,000	24,500	①	147,000	①
Crown Heating Manufacturing Plant	24,666	—	—	2,000	—	26,666	24,000	2,666	5,000	6,000	1,000
Foothill Auto Center (Service and Repairs)	78,750	—	—	—	—	78,750	76,250	2,500	25,000	30,000	5,000
Foulger Ford Dealership	85,000	—	—	—	—	85,000	67,500	17,500	16,100	25,625	9,525
Goldrich/Kest Senior Citizens Apartments	101,000	10,000	5,000	20,000	—	136,000	87,000	49,000	27,625	221,750	194,125
Hans Herzig Manufacturing Plant	31,500	—	2,575	4,545	—	38,620	16,000	22,620	6,225	29,000	22,775
Hoffman Honda/Pontiac/Volkswagen Dealership	115,868	—	—	—	—	115,868	73,500	42,368	52,000	58,250	6,250
Kruse Meat Packing Plant	240,000	—	—	92,500	12,960	345,460	216,000	129,460	59,250	241,500	182,250
Malouf AMC Dealership	65,000	5,000	1,800	—	—	71,800	47,500	24,300	37,500	55,000	17,500
Palmer Industrial Building	115,000	—	—	23,000	3,000	141,000	56,860	84,140	①	82,965	①
Ratch Industrial Plant	60,984	—	—	112,500	3,267	176,751	176,450	301	13,396	76,112	62,716
Reid Valve Manufacturing Plant	34,325	—	1,200	4,000	—	39,525	32,000	7,525	8,581	58,000	49,419
Scardino's Restaurant	38,500	—	1,500	11,700	—	51,700	38,500	13,200	9,075	27,050	17,975
Total	\$1,645,293	\$15,000	\$33,875	\$281,245	\$26,109	\$2,001,522	\$1,401,210	\$600,312			

① Not Available.

Source: Agency Staff.

Table 8
MONROVIA REDEVELOPMENT AGENCY
1976/77 Budget

BEGINNING FUND BALANCE	\$ 224,488
REVENUES	
Tax Increments	\$ 436,804
Advance From City	500,000
Land Sales	1,414,210 ^①
Total Revenues	\$2,351,014
EXPENDITURES	
Administration	\$ 67,264
Special Programs	193,500
Land Acquisition and Clearance	2,001,522
Total Expenditures	\$2,262,286
ENDING BALANCE	\$ 313,216

① Includes \$13,000 from sale of surplus land not shown in Table 7.

Source: Agency staff.

ing for the Monrovia Unified School District and a parking lot.

Because some of these projects are still in the negotiation stage, their estimated cost must be kept confidential. However, Table 9 shows a summary of the estimated total costs of the ten projects and an estimate of the increase in assessed valuations which will result.

Although the school district building will not produce an increase in assessed valuation, it will make possible the redevelopment of an existing school district property. Furthermore, the removal of the sites of the new school building and the parking lot from the tax rolls is not expected to reduce the incremental assessed valuation of the Project Area since it has been ruled that when private property in a redevelopment project area is converted to public use the frozen tax base must be reduced by an amount equal to the assessed valuation of that property prior to its conversion.

**Estimated Financing Requirement
and Sources of Funds**

Table 10 shows the total estimated funds required by the Agency to finance the proposed new projects and the sources of funds to meet these requirements.

Table 9
MONROVIA REDEVELOPMENT AGENCY
Proposed New Projects

ESTIMATED PROJECT COSTS	
Land Acquisition	\$1,669,900
Relocation	163,200
Clearance	65,000
Offsite Improvements	93,400
Other	12,000
Total Project Costs	\$2,003,500
Less: Resale Price	755,800
Net Write-down Costs	\$1,247,700
ESTIMATED INCREASE IN ASSESSED VALUATION	
Estimated New Assessed Valuation	\$1,567,700
Less: Original Assessed Valuation	469,525
Estimated Increase	\$1,098,175

Source: Agency staff.

The Agency expects to meet its administrative expenses for the 1977/78 fiscal year with advances from the City. It is expected that these advances will be repaid from the tax increment revenues which will remain after meeting the debt service requirements of the bonds currently being offered for sale.

Table 10
MONROVIA REDEVELOPMENT AGENCY
**Estimated Financing Requirement
and Sources of Funds**

ESTIMATED FINANCING REQUIREMENT	
Land Acquisition and Improvement Costs	\$2,003,500
Reserve For Contingencies	90,016
Bond Reserve	55,500
Costs of Issuance	30,000
Total Financing Requirement	\$2,179,016
SOURCES OF FUNDS	
Resale of Land	\$ 755,800
Projected 1976/77 Surplus	313,216
Bond Proceeds	1,110,000
Total Funds Provided	\$2,179,016

Estimated Annual Bond Service

Table 11 shows an estimation of the annual bond service requirements of the \$1,110,000 of 1977 Project Area No. 1 Tax Allocation Bonds, based on an estimated interest rate of five percent.

Table 11

MONROVIA REDEVELOPMENT AGENCY

1977 Project Area No. 1 Allocation Bonds Estimated Annual Bond Service

Year	Principal Outstanding	Interest Estimated 5%	Principal Maturing	Total Bond Service	Less: Transfer From Reserve Fund	Net Funds Required
1978	\$1,110,000	\$ 55,500	\$ 200,000	\$ 255,500	\$ 10,000	\$ 245,500
1979	910,000	45,500	210,000	255,500	10,500	245,000
1980	700,000	35,000	220,000	255,000	11,000	244,000
1981	480,000	24,000	235,000	259,000	11,750	247,250
1982	245,000	12,250	245,000	257,250	12,250	245,000
Total		\$172,250	\$1,110,000	\$1,282,250	\$ 55,500	\$1,226,750

Coastal Roofing distribution center — an Agency-assisted project now under construction



THE CITY

The City of Monrovia, incorporated on December 15, 1887, is the fourth oldest city in Los Angeles County. The City is located in the extreme northern portion of the San Gabriel Valley, 20 miles northeast of the Los Angeles civic center. Approximately 13.75 square miles lie within the City's boundaries.

Historically, the City consisted of large citrus ranches which have since yielded to suburban residential, commercial and industrial development. Monrovia is an older bedroom community with a relatively stable population base.

The City has a mild, dry climate with average temperatures ranging between 49.9 degrees and 75.6 degrees, with a mean of 62.7 degrees.

The topography of the City varies between broad stretches of relatively flat terrain and foothills at the base of the San Gabriel Mountains.

Municipal Government

The City is a general law city which adopted the council-manager form of government in 1923.

The City Council is composed of five members who are elected at large to overlapping four-year terms at elections held every two years. The Council currently selects one of its members to serve as Mayor. Commencing in 1978, the Mayor will be elected by a vote of the City electorate.

All City functions are carried out under the direction of the City Manager, who is appointed for an indeterminate term by the City Council. The City's budget for the 1976/77 fiscal year is \$7,402,065. Current City employment is 187 full-time and 74 part-time employees.

Population

The 1970 U.S. Census reported that 30,562 persons resided in the City. Recent estimates certified by the State Department of Finance indicate that the City's population declined to 29,600 persons by January, 1977. A slight population decrease was reported for Los Angeles County as a whole during the same period. The tabulation on the following page presents a summary of population changes for the City of Monrovia and Los Angeles County since 1940.

CITY OF MONROVIA AND LOS ANGELES COUNTY

Population

Year	City of Monrovia		Los Angeles County	
	Population	% Increase (Decrease)	Population	% Increase (Decrease)
1940①	12,807	—%	2,785,643	—%
1950①	20,186	57.6	4,151,687	49.0
1960①	27,079	34.1	6,038,771	45.4
1970①	30,562	12.9	7,040,679	16.6
1975②	29,100	(4.8)	6,940,000	(1.4)
1977②	29,600	1.7	7,023,000	1.2

① U.S. Census.

② January estimate by State Department of Finance.

Housing and Income

The 1970 Census of Housing reported 11,615 dwelling units in the City, of which 8,120 were single-family homes. Nearly 63 percent of the single-family dwellings were owner-occupied.

Home values and rents within the City differ significantly by geographical region with the more expensive units located in the foothill areas. The 1970 median value of a single-family dwelling was \$21,600 and the median rent was reported at \$100 per month. Comparable figures for Los Angeles County were \$24,300, and \$110, respectively. The tabulation to the right summarizes 1970 home values and monthly rents within the City.

The 1970 U.S. Census reported that the median income of Monrovia households for 1969 was \$9,633, compared to \$10,972 for the entire County of Los Angeles.

Building Activity

The City contains relatively little vacant land which is buildable. Consequently, most sites available for new construction have resulted from either the demolition of existing structures or the excavation of hillside acreage.

The tabulation on the following page summarizes the valuation of building permits issued by the City during the past five calendar years and the first three months of 1977. As indicated the valuation of build-

ing permits issued during the first quarter of 1977 exceed the annual totals for each of the preceding five calendar years.

CITY OF MONROVIA

Home Values and Monthly Rents, 1970

HOMES VALUES

Less than \$10,000	183	3.7%
\$10,000 — \$14,999	709	14.3
\$15,000 — \$19,999	1,247	25.1
\$20,000 — \$24,999	1,096	22.1
\$25,000 — \$34,999	1,201	24.2
\$35,000 — \$49,999	448	9.0
\$50,000 and Over	80	1.6
	4,964	100.0%

MONTHLY RENTS

Less than \$40	68	1.2%
\$40 — \$79	1,315	23.6
\$80 — \$119	2,375	42.7
\$120 — \$149	1,180	21.2
\$150 — \$199	394	7.1
\$200 and Over	74	1.3
None	160	2.9
Total	5,566	100.0%

Source: 1970 U.S. Census.

CITY OF MONROVIA

Building Permit Valuations (\$000 omitted) and New Dwelling Units

Calendar Year:	1972 ^①	1973 ^①	1974 ^①	1975 ^①	1976 ^①	1977 ^②
VALUATION						
Single Family Residential	\$ 384	\$ 732	\$ 92	\$ 831	\$1,015	\$4,533
Multiple Dwellings	—	—	400	—	2,181	1,219
Residential Alterations	232	235	355	417	531	156
Commercial	91	604	110	51	60	54
Industrial	55	37	1,018	34	1,082	550
Non-Residential Alterations	358	253	329	580	550	71
Other	565	530	476	1,437	602	223
Total Valuation	\$1,685	\$2,391	\$2,780	\$3,350	\$6,021	\$6,806
NEW DWELLING UNITS						
Single Family Residential	25	65	5	28	29	80
Multiple	—	—	41	—	120	43
Total Units	25	65	46	28	149	123

① Source: "California Construction Trends", Security Pacific National Bank.

② First three months. Source: City of Monrovia.

Employment

Residents of Monrovia find employment throughout the San Gabriel Valley and the Los Angeles metropolitan area. The City of Monrovia is included in the Duarte Community Labor Market Area for reporting purposes by the State Employment Development Department. Last surveyed by state labor analysts in July, 1970, this area contained an estimated population of 235,800 persons and provided 65,700 jobs. The results of July, 1970 labor survey are summarized by job classification in the tabulation to the right.

Manufacturing is the largest category of employment in both the Duarte Community Labor Market Area and the City of Monrovia. The largest employers in the City are industrial organizations as discussed in the following subsection of this official statement.

The largest non-industrial employer in the City is the Monrovia Unified School District, which has approximately 1,000 employees. The General Telephone Company of California and the headquarters of World Vision International, an interdenominational humanitarian organization, each employ 400

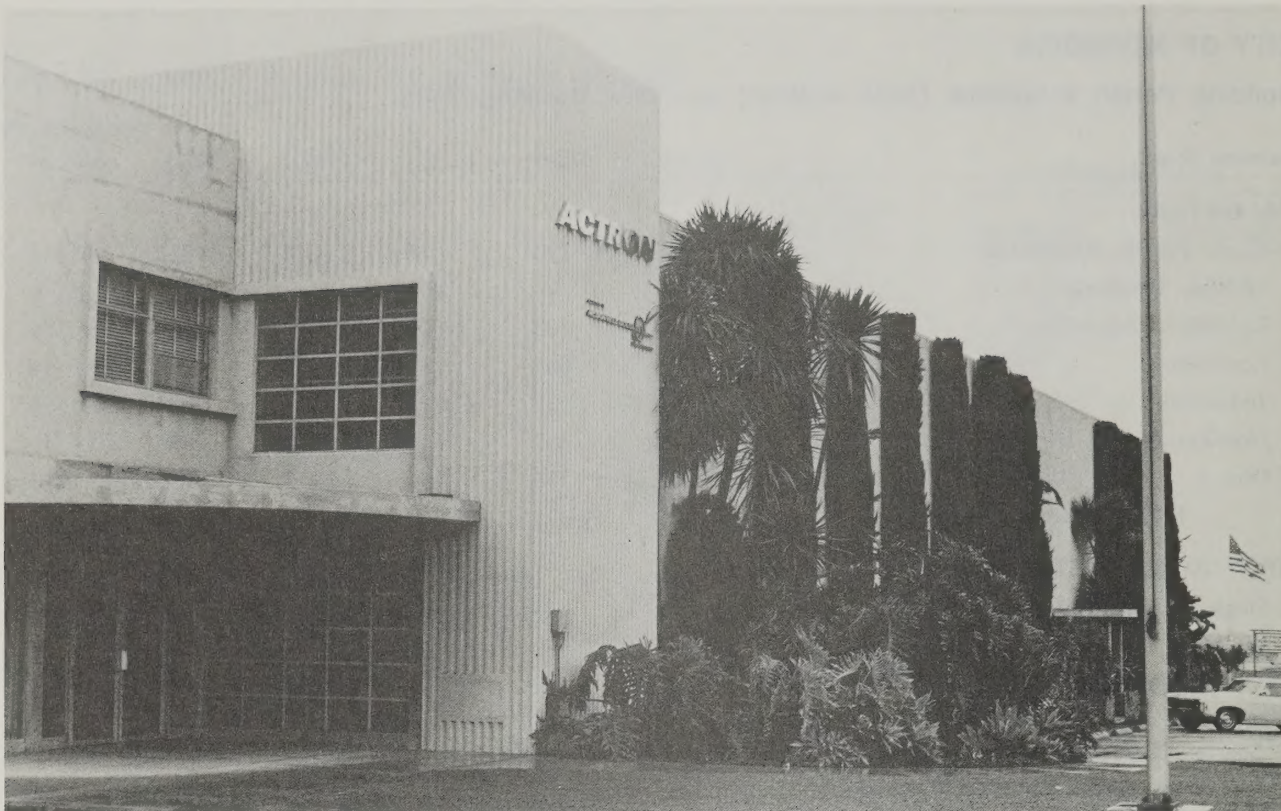
DUARTE COMMUNITY LABOR MARKET AREA^①

Employment as of July, 1970

Classification	Number of Jobs	Percentage
Agriculture	800	1.2%
Mining	800	1.2
Construction	2,200	3.4
Manufacturing	18,100	27.5
Transportation, communications and utilities	3,200	4.9
Trade	14,800	22.5
Finance, insurance and real estate	2,400	3.7
Services	14,800	22.5
Government	8,600	13.1
Total	65,700	100.0%

① Includes the cities of Arcadia, Azusa, Bradbury, Duarte, Glendora, Monrovia, Sierra Madre, Temple City and adjacent unincorporated areas.

Source: State Employment Development Department.



Two leading industries within the City



persons in Monrovia. Other significant non-industrial employers are the City of Monrovia — 271 employees and Monrovia Community Hospital — 125 employees.

Industry

The City of Monrovia has a substantial industrial base which includes several firms, or divisions thereof, of national prominence. Approximately 3.7 million square feet are utilized for light and medium manufacturing facilities.

One of the primary goals of the Monrovia Redevelopment Agency is the encouragement of new industry, as evidenced by the fact that seven of the Agency's fifteen current and completed projects are light manufacturing plants.

The 1976 *Monrovia Industrial Directory*, prepared by the Monrovia Chamber of Commerce, lists more than 225 industrial firms. The largest industrial employers in the City, their primary products and approximate number of employees are summarized in the following tabulation.

Commerce

Monrovia's central business district is located along Myrtle Avenue between Huntington Drive and Foothill Boulevard. Several clusters of commercial establishments also operate along both Foothill Boulevard and Huntington Drive. There are eight automobile dealerships in the City, representing thirteen auto makes. Most retail establishments are individually owned and operated, the major exceptions being a 22,000 square foot J. C. Penney department store, several supermarkets and a super-drug store.

The City has continually lost retail sales to surrounding shopping areas during the past ten years. This trend became pronounced with the opening of the 927,000 square foot Santa Anita Fashion Park, a regional shopping center in the adjacent City of Arcadia, during 1975.

The Redevelopment Agency's policies reflect a realization that this trend is unlikely to be reversed and therefore its goal is to foster establishment of a compact, economically strong retail center on Myrtle

CITY OF MONROVIA

Industrial Firms With More Than 100 Employees

Name of Firm	Primary Products	Approximate No. of Employees
Unitek Corporation	Orthodontic and welding equipment	1,200
Actron	Aerial cameras and missile testing equipment	675
Anja Engineering	Pens, markers and butane lighters	400
Avery Label Systems	Adhesive labels and dispensers	400
Dielectron Co.	Ceramic disc capacitors	400
Advanced Structures	Aircraft adhesives and assemblies	375
Avon Products Inc.	Cosmetics and toiletries	250
Dupont, E. I. De Nemours & Co.	Analytical instruments	200
Town, Paulsen & Co., Inc.	Pharmaceuticals	125

Source: 1976 *Monrovia Industrial Directory* and primary research.

Avenue rather than attempting to promote expansion in this area. However, efforts are being made to strengthen the City's automobile trade as evidenced by the fact that the Agency's 15 current and completed projects include three auto dealerships and a complete auto service and repair center.

The tabulation below summarizes taxable transaction data for the City of Monrovia during the past five calendar years.

Banking

Commercial banking offices are maintained in the City by the Bank of America NT & SA, Crocker National Bank, Security Pacific National Bank and United California Bank. The Brentwood Savings & Loan Association and Glendale Federal Savings also operate branch offices within the City.

Transportation

The City is traversed by U.S. Highway 66, the Foothill Freeway (State Highway 210) and the main line of the Atchison, Topeka & Santa Fe Railroad. The Foothill Freeway intersects the San Gabriel

River Freeway (State Route 605) less than two miles east of the City limits providing freeway access to southern and eastern destinations. Direct access to western and northern points is provided by the Foothill Freeway which meets the eastern terminus of the Ventura Freeway (State Route 134) in Pasadena, approximately 8 miles west of the City.

Daily Amtrak passenger service to eastern locations is available in Pasadena. Nearly one-third of the City's industrial acreage is served by railroad spur lines.

Transcontinental bus service is provided by Greyhound and Trailways in Pasadena. The Southern California Rapid Transit District furnishes interurban bus service. A "dial-a-ride" system provides personalized taxi service for a nominal fee within the City limits.

A general aviation facility is located less than five miles from the City in El Monte. Commercial airline service is available at the Hollywood Burbank Airport, Ontario International Airport and Los Angeles International Airport, each of which is within 30 to 60 minutes driving distance.

CITY OF MONROVIA

Summary of Taxable Transactions (\$000 omitted)

Year:	1972	1973	1974	1975	1976
Apparel stores	\$ 1,083	\$ 992	\$ 804	\$ 482	\$ 473
General merchandise stores	8,413	8,881	8,303	10,973	9,010
Drug stores	1,262	1,258	1,336	1,290	1,334
Food stores	4,472	4,461	5,126	5,606	5,851
Packaged liquor stores	1,878	2,082	1,948	2,006	2,330
Eating and drinking places	3,154	3,409	3,907	4,417	4,892
Home furnishings and appliances	1,851	2,059	2,236	2,239	2,339
Building materials and farm implements	2,333	2,950	2,819	3,720	5,071
Auto dealers and auto supplies	34,140	33,555	31,422	28,420	30,143
Service stations ^①	3,092	5,876	7,693	8,265	9,090
Other retail stores	3,053	3,975	4,163	3,927	4,379
Retail Store Totals	\$64,731	\$69,498	\$69,757	\$71,345	\$ 74,912
All Other Outlets	19,387	23,341	24,823	27,536	29,438
Total All Outlets	\$84,118	\$92,839	\$94,580	\$98,881	\$104,350

① Sales of gasoline first became taxable on July 1, 1973.

Source: State Board of Equalization.

Shipping facilities to intercoastal and world ports are available at Los Angeles Harbor and the Port of Long Beach — approximately 40 miles southwest of the City.

Utilities

Electric power is supplied within the City by the Southern California Edison Company. The Southern California Gas Company provides natural gas. Telephone service is furnished by General Telephone Company of California. Water and sewerage service are provided by the City.

Education

Most of the City lies within the Monrovia Unified School District. The school district provides public education from the kindergarten level through high school, plus adult education. The school district operates five elementary schools, two intermediate schools, a high school and a continuation school.

A summary of the school district's average daily attendance for each of the past five fiscal years and the first seven months of the current fiscal year appears below.

The remainder of the City is located in the Arcadia Unified, Duarte Unified and El Monte school districts.

The Monrovia Unified School District and the Duarte Unified School District portions of the City are within the Citrus Community College District

while the balance is in the Pasadena Area Community College District and the Rio Hondo Community College District. The three community college districts maintain two-year colleges in Azusa, Pasadena and Whittier, respectively.

Monrovia is located within commuting distance of several four-year collegiate institutions, the closest of which is the California Institute of Technology in Pasadena. Other recognized four-year colleges and universities within a twenty mile radius of the City are California State Polytechnic University at Pomona, California State University, Los Angeles, Claremont Graduate School and University Center (Claremont Men's College, Harvey Mudd College, Pitzer College, Pomona College and Scripps College), Immaculate Heart College, Occidental College and Whittier College.

Community Facilities

The Monrovia Community Hospital is a 49-bed general health care facility. The 150-bed Santa Teresita Hospital is located immediately adjacent to the City limits in Duarte. The world-famous City of Hope, also in Duarte, offers specialized treatment for catastrophic illnesses. Three convalescent hospitals also operate within the City.

There are six parks within the City, providing playgrounds, municipal swimming pools and tennis courts. The largest of these, Monrovia Canyon Park, offers an overnight cabin and campground, nature trails and fishing facilities. A Community Center

MONROVIA UNIFIED SCHOOL DISTRICT Average Daily Attendance^①

Fiscal Year	K-8	9-12	Continuation School	Total
1971/72	4,684	1,944	74	6,702
1972/73	4,429	1,948	71	6,448
1973/74	4,389	1,902	81	6,372
1974/75	4,238	1,769	91	6,098
1975/76	4,294	1,767	105	6,166
1976/77 ^②	4,209	1,767	108	6,084

① ADA figures include summer school, but not adult education.

② First seven months only.

Source: Monrovia Unified School District.

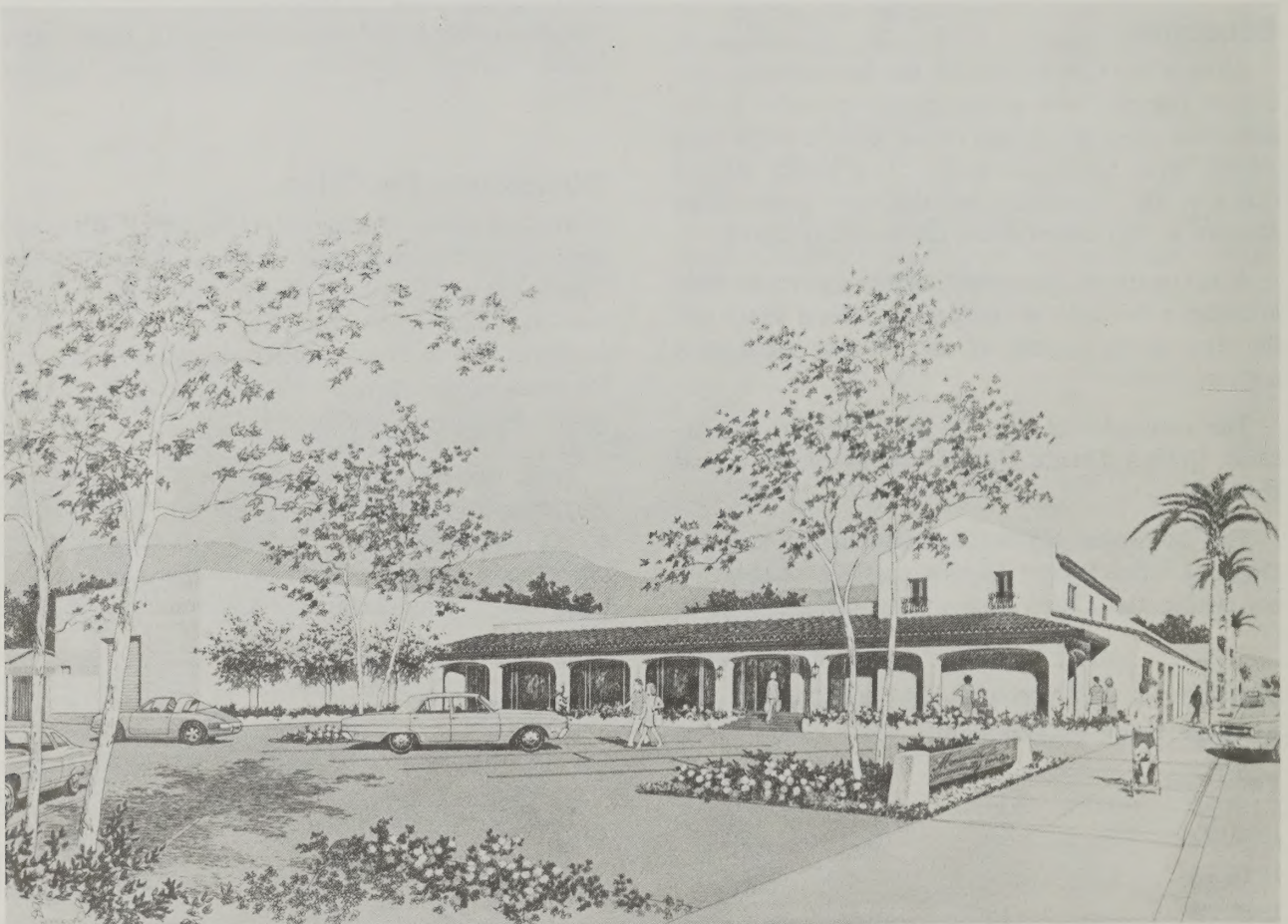
featuring recreational and cultural facilities for all age groups is scheduled for completion during the Fall of 1977. The Monrovia Public Library contains nearly 70,000 volumes.

The *Monrovia News-Post*, published in Arcadia, is circulated twice weekly. Daily news coverage is provided by the *San Gabriel Valley Tribune*, the *Los Angeles Times* and other metropolitan newspapers. The City is within broadcast range of Los Angeles area radio and television stations.

Thirty-six churches representing 24 denominations hold services in Monrovia. There are approximately 65 service and fraternal organizations in the City.

The Santa Anita Race Track is located approximately two miles west of the City in Arcadia, as is the Los Angeles State and County Arboretum. The recreational, cultural and athletic attractions in Los Angeles and Orange counties are generally within forty-five minutes driving distance of Monrovia.

Community Center to be financed with Federal grant



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